



PERFORMANCE MANAGEMENT BASICS

Setting employees up for success

1. Employers spend a lot of time and money investing in a new employee. Part of this investment is to make sure employees are successful and clear about performance goals, objectives and expectations.
2. Developing key performance indicators that highlight expectations is a great foundation for employee success.
3. The SMART acronym (**S**pecific, **M**easurable, **A**ttainable, **R**ealistic, **T**imely) builds a solid foundation for performance goals. Make sure these goals are clearly communicated with the employee and regular performance reviews are carried out to see how employees are tracking.

What is the value of performance reviews?

4. Performance reviews create a two-way opportunity for feedback to be given about strengths, weaknesses, and areas of improvement. Having these discussions allows issues to be addressed at an early stage and allows employers to clarify expectations with employees.

What if there is no improvement in performance?

5. Employers may find that despite identifying a performance issue, giving additional support, coaching and training, the performance does not improve. Applying the right process to address this is critical.

Poor performance or misconduct?

6. Identifying whether the issue is performance related or misconduct/serious misconduct is the first step.

	Performance	Misconduct/ serious misconduct
Is the issue about how the employee performs at work?	✓	
Is the issue about how the employee behaves at work?		✓
Was the behaviour deliberate?		✓
Was the behaviour unintentional?	✓	
Has a policy, code of conduct, or agreement clause been breached?		✓

Performance Improvement Plan (PIP)

7. To start a PIP, an employer needs to write to the employee to raise the performance issue(s). The issues should be clearly identified, and the employer should explain why these issues are of concern. The letter should outline what it is that the employer is proposing and invite the employee to a meeting to discuss. The letter should also include the draft PIP, and it should let the employee know how often the employer proposes to review the PIP.

8. The PIP should have:
 - 8.1 clear goals and expectations;
 - 8.2 a timeframe to achieve these goals; and
 - 8.3 clear guidance on how the improvement will be measured.
9. If the employee needs any extra support or training, identify this on the PIP. Performance will be monitored in accordance with the PIP over a reasonable timeframe.

Disciplinary action?

10. If performance continues to fall below standards once the PIP is complete, an employer may need to contemplate addressing the issue with disciplinary action.
11. Our resource on disciplinary processes provides a great overview on this [here](#)

Our team of specialist workplace lawyers throughout the country are always happy to answer your questions, [contact us here](#)

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